

Old Age, Disability, Death

First law: 1963.

Separate law for employees of government-owned undertakings: 1975.

Type of program: Social insurance system.

Exchange rate: U.S.\$1.00 equals 6.41 birr.

Coverage

Public employees, employees of government-owned companies and employees of national youth, women's, and similar associations.

Source of Funds

Insured person: 4% of basic monthly salary.

Employer: 6% of basic monthly salary.

Government: None.

Qualifying Conditions

Old-age pension: Age 55 with a minimum of 10 years of service and contributions.

Disability pension: A minimum of 10 years of service and contribution.

Survivor pension: Deceased met contribution conditions for old-age pension or was pensioner at death.

Old-Age Benefits

Old-age pension: 30% of average monthly salary during the last 3 years, plus increment of 1% of average monthly salary for each year of service beyond 10, up to a maximum benefit of 60%.

For those who do not fulfill the qualifying conditions, there are lump-sum payments.

Permanent Disability Benefits

Disability pension: Same as old-age pension.

Survivor Benefits

Survivor pension: Widow receives 50% of the pension of the deceased. Upon re-marriage, a lump sum of 2 years' pension is paid.

Orphan: 10% of the pension of the deceased (full orphan 20%).

Parents: 10% to 20% of the deceased's pension.

Administrative Organization

Office of the Prime Minister, general supervision.

The Social Security Authority, administration of program, managed by board and general manager.

Coverage

Public employees, employees of Government-owned companies and of national youth, women's, and similar associations.

Source of Funds

Insured person: See pension contributions, above.

Employer: Same.

Government: None.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: Payable as a lump-sum equal to 45% of monthly salary, multiplied by 5 years and degree (percentage) of incapacity due to injury.

Private insurance on basis of Labour Proclamation.

Permanent Disability Benefits

Permanent disability benefit: 45%-60% of the monthly basic salary.

Survivor Benefits

Survivor pension: Same as old-age pension.

Administrative Organization

Office of the Prime Minister, general supervision.

The Social Security Authority, administration of program, managed by board and general manager.

Sickness and Maternity

(1975 labor decree requires sick leave and maternity leave of 45 days.)

Work Injury

First law: 1963.

Current law: 1974.

Type of program: Employer liability system.